

BEFORE THE SURFACE TRANSPORTATION BOARD
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C. 20423



FINANCE DOCKET NO. 35484
ARKANSAS SHORTLINE RAILROADS, INC.—CONTINUANCE IN CONTROL—
DARDANELLE & RUSSELLVILLE RAILROAD, INC., OUACHITA RAILROAD,
AND THE CAMDEN & SOUTHERN RAILROAD, INC.

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. SECTION 1180.2(d)(2)

INFORMATION REQUIRED BY 49 C.F.R. § 1180.6(a)(1)(i)-(iii), (a)(5)-(6), AND
(a)(7)(ii), AS MADE APPLICABLE TO EXEMPTION NOTICES
BY 49 C.F.R. § 1180.4(g)(i) 229068

Arkansas Shortline Railroads, Inc. ("ASR") files this Verified Notice of
Exemption, pursuant to 49 C.F.R. § 1180.2(d)(2), for it to continue in control of
Camden & Southern Railroad, Inc. ("C&S"), a non-carrier, upon C&S becoming
a Class III railroad. In support of this Verified Notice of Exemption, ASR
submits the following information as required by 49 C.F.R. § 1180.4(g):

Name, Business Address and Phone Number:

Arkansas Shortline Railroads, Inc.
4416 South Arkansas Ave.
Russellville, Arkansas 72801
Telephone: 479-968-6455

ENTERED
Office of Proceedings

MAR 30 2011

Part of
Public Record

**The name, address, and telephone number of the representative of the
applicant who should receive correspondence:**

Richard H. Streeter
Law Office of Richard H. Streeter
5255 Partridge Lane, N.W.
Washington, D.C. 20016
(202) 363-2011

FEE RECEIVED

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**A brief description of the proposed transaction as required by
§ 1180.6(a)(i):**

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ASR, a non-carrier, is an Arkansas Corporation which controls two Class III railroads, Dardanelle & Russellville Railroad, Inc. ("D&R") and Ouachita Railroad ("OUCH"). C&S is currently a non-operator. It will, however, become a Class III common carrier railroad in a related proceeding that is being filed concurrently. See STB Finance Docket No. 35483, *Camden & Southern Railroad, Inc.—Lease and Operation Exemption – Camden Area Industrial Development Corporation*. Upon consummation of that transaction, C&S will be affiliated with D&R and OUCH. The properties of these carriers do not and will not connect with one another. Nor is this a part of a series of anticipated transactions that would connect these railroads with each other or any railroad in their corporate family. Because all three railroads will be owned by ASR, this notice of exemption under 49 C.F.R. § 1180.2(d) seeking Board approval for ASR to continue in control of all three railroads is being filed.

The proposed time schedule as required by § 1180.6(a)(ii):

The proposed transaction will be consummated on or shortly after the effective dates of this Notice of Exemption and the related transaction.

As required by § 1180.6(a)(iii), what is the purpose sought to be accomplished by the proposed transaction.

By establishing a separate non-carrier entity to consummate the transactions described in the Related Proceeding, ASR is able to insulate its other railroads from the financial, legal, and operational risks associated with the transactions contemplated in that proceeding.

As required by § 1180.6(a)(5) and (6), provide a list of States in which the property of each applicant carrier is located and submit a map:

All lines are located in Arkansas and Louisiana. Maps are attached hereto as Exhibit 1, and twenty (20) unbound copies are being submitted herewith identifying the general location of the Affiliates' lines.

As required by § 1180.4(g)(i), indicate the level of labor protection to be imposed:

No labor protection may be imposed in this case, as it involves only class III rail carriers. See 49 U.S.C. § 11326(c).

Agreement

ASR will not enter into any agreement, or sign any written instrument, to continue in control of C&S.

Environment and Historic Impacts

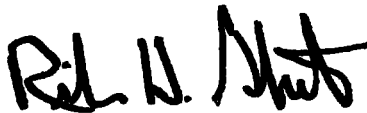
ASR will continue to control C&S for the purpose of continued rail operations where further Board approval is required to abandon or discontinue any service, and there are no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

ASR's continuance in control of C&S will not result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of these lines to motor carriage. This transaction will not result in: (1) an increase in rail traffic of a least 100 percent or an increase of at least eight trains a day on any segment of the lines; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. This

transaction will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, this transaction does not contemplate the transportation of any ozone depleting materials. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This transaction will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R.H. Streeter", written over a horizontal line.

Richard H. Streeter
Law Office of Richard H. Streeter
5255 Partridge Lane, N.W.
Washington, D.C. 20016
(202) 363-2011

Attorney for
Arkansas Shortline Railroads, Inc.

Dated: March 29, 2011

VERIFICATION

I, Danny Robbins, hereby declare under penalty of perjury that that I am President, Arkansas Shortline Railroads, Inc., that I am duly authorized to present this Verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and correct as stated to the best of my knowledge, information and belief.

Executed on March 21, 2011.


Danny Robbins